5.05 The Agency will also expect confirmation that the transmission equipment which will be used will meet the relevant performance specification; only approved equipment will be licensed for operation. A performance specification for analogue transmitters (MPT 1550) is available from the Radiocommunications Agency but this does not preclude the use of digital technology (and/or proposals for using radio for interactive purposes) which will be considered by the Agency. A provisional channel plan for maximising the use of the 40 GHz band is contained in Annex 1. This plan is not mandatory, however, and, as with any other aspects of their proposals for making use of radio, potential applicants may wish to discuss informally with the Radiocommunications Agency any suggested variance in advance of making their application.

### Applications for Wireless Telegraphy Licences

- 5.06 Following advice from the Radiocommunications Agency concerning the acceptability of the technical plan, for the purpose of considering the award of the local delivery licence in accordance with Section 75(1)(a) of the Broadcasting Act, the ITC may conclude that it appears that the proposed system would be acceptable to the Radiocommunications Agency.
- 5.07 For the avoidance of doubt, however, the acceptance of the technical plan by the ITC does not imply that Wireless Telegraphy licences will necessarily be issued following receipt of an application from the operator of the relevant wireless telegraphy stations.
- 5.08 A Wireless Telegraphy licence will only be issued if there is radio spectrum available in the proposed area of operation which can be used without causing undue interference to others and without itself being unduly interfered with. Applications for Wireless Telegraphy licences will need to provide the information referred to in para. 5.09 below so that the Secretary of State can determine this matter.

#### Information\_required

- 5.09 An application for a Wireless Telegraphy licence should include:
  - i) details of the proposed sites of all WT transmitters (quoting Ordnance Survey Grid references of sites or latitude and longitude);
  - the height of the site(s) (expressed in metres above mean sea level), the proposed heights of antennas (expressed in meters above ground level), and the azimuthal angles of directional antennas specified for each site:
  - iii) for each site identified in (i) and (ii) the proposed frequencies, power levels, polarisation of emissions, and the radiation patterns envisaged from each antenna;
  - iv) a map indicating the proposed limit of service of each WT transmitter on a scale of 1:25000 and a composite map indicating the total coverage expected

from all proposed WT transmitters for the franchise on a scale of 1:50000, 1:100000 or 1:250000. The background maps provided for these limit of service contours should show the Ordnance Survey Grid.

### Duration of licences

5.10 A Wireless Telegraphy Act Licence will run in parallel with that issued by the ITC - typically in the first instance for 15 years, unless in the meanwhile it lapses or is otherwise revoked. Additional time may be provided at the start of the licence period to allow the operator to test the installation.

### Terms and conditions of the Wireless Telegraphy Licence

- 5.11 The licence will permit the licensee to establish and use specified transmitters within the franchise area. The licence will lay down the authorised parameters for such operations based on the information provided in accordance with paragraph 5.09 above. Once issued the WT licence would permit the operation of the proposed stations, subject to any modifications which might be necessary to avoid undue interference.
- 5.12 The terms of the licence will require the licensee to ensure that the WT apparatus is designed, constructed, maintained and used so that it does not cause any undue interference to any other radio operators. The licence will require compliance with the appropriate performance specification. The licensee will be required to permit agents of the Secretary of State to have access to any WT station to verify compliance with the terms of the licence or to investigate radio interference problems. If necessary the licensee must close down any station which is operating in breach of the licence.

### Licence fee

5.13 A Wireless Telegraphy licence fee is payable annually (in advance). The fee reflects the costs of issuing and enforcing the licence (including making frequencies available to local delivery operators at particular locations, monitoring the frequency and dealing with interference problems). Failure to pay the licence fee on or before the due date leads automatically to termination of the licence.

5.14 The initial annual fee for a WT licence is shown in the following table:

Total number of homes in franchise area	WT licence fee
Up to 50,000	£ 8,000
50,001 to 150,000	£16,000
150,001 to 250,000	£24,000
250,001 to 350,000	£32,000
350,001 to 450,000	£48,000

5.15 For a new service, such as MVDS, it is naturally difficult to predict all the costs precisely at the outset, and it is possible that in future years the fees (and indeed the whole fee structure) might need to be revised in the light of experience. Should any significant change be envisaged, the Radiocommunications Agency will consult licensees before any change is finalised.

### Revocation

5.16 Licences may be revoked by the Secretary of State in accordance with Section 1(4) of the Wireless Telegraphy Act. Notice of such revocation would be given to the licensee in writing or by a general notice published by means of an authorised broadcast and/or an insertion in the London, Edinburgh and Belfast Gazettes.

### ANNEX 1

## A Provisional Channel Plan for MVDS

Horizona	al polarisation Vertical polarisa		l polarisation
Channel Number	Nominal Centre frequency of channel (GHz)	Channel Number	Nominal Centre frequency of channel (GHz)
1 3 5 7 9 11 13 15 17 19 21 22 27 29 31 33 35 37 39 41 42 42 42 42 42 42 42 42 42 42 42 42 42	40.53500 40.56450 40.59400 40.62350 40.65300 40.68250 40.71200 40.74150 40.77100 40.80050 40.83000 40.85950 40.88900 40.91850 40.97750 41.00700 41.03650 41.06600 41.09550 41.12500 41.12500 41.12500 41.12500 41.21350 41.21350	2 4 6 8 10 11 11 11 11 11 12 12 12 13 14 14 14 14 14 14 14 14 14 14 14 14 14	40.54975 40.57925 40.60875 40.63825 40.66775 40.72675 40.75625 40.78575 40.81525 40.84475 40.87425 40.90375 40.93325 40.96275 40.99225 41.02175 41.05125 41.05125 41.1025 41.1025 41.13975 41.19875 41.28725
51 53 55 57 59 61 63	41.27250 41.30200 41.33150 41.36100 41.39050 41.42000 41.44950	54 56 58 60 62 64	41.31675 41.34625 41.37575 41.40525 41.43475 41.46425

### ANNEX 1 (Contd.)

Horizona	l polarisation	Vertical polarisation	
Channel Number	Nominal Centre frequency of channel (GHz)	<u>Channel</u> <u>Number</u>	Nominal Centre frequency of channel (GHz)
65 67 69 71 73 75 77 79 81 83 85 87 89 91 93 95 97 99 101 103 105 107 109 111 113	41.53500 41.56450 41.59400 41.62350 41.65300 41.68250 41.71200 41.74150 41.77100 41.80050 41.83000 41.85950 41.88900 41.91850 41.91850 42.00700 42.03650 42.03650 42.06600 42.03650 42.12500 42.12500 42.12500 42.12500 42.21350 42.21350 42.21350 42.27250	66 68 70 72 74 76 78 80 82 84 86 88 90 92 94 96 98 100 102 104 106 108 110 112 114	41.54975 41.57925 41.60875 41.63825 41.66775 41.69725 41.72675 41.75625 41.78575 41.81525 41.84475 41.87425 41.90375 41.93325 41.96275 41.99225 42.02175 42.05125 42.08075 42.11025 42.13975 42.13975 42.22825 42.25775 42.28725
117 119 121 123 125 127	42.30200 42.33150 42.36100 42.39050 42.42000 42.44950	118 120 122 124 126 128	42.31675 42.34625 42.37575 42.40525 42.43475 42.46425

# PRO-FORMA: PROFIT & LOSS PROJECTIONS (1995 PRICES)

Gross	Revenue	Calendar Yr in which licence (i.e. service) begins £'000	<u>Etc</u>	Calendar Yr in which licence ends
Progr	amme Services Revenue:			
	Subscriptions Pay-per-view Related equipment charges Advertising revenue Other service delivery related revenue Installation Charges			
	Other programme services revenue TOTAL PROGRAMME SERVICES REVENUE			
Telec	om Services Revenue:			
	Rental Call charges Installation charges Interconnection revenue Other service-related revenue TOTAL TELECOM SERVICE REVENUE			
Other	revenue			
TOTAL	REVENUE			

## ANNEX 2.1

PRO-FORMA: PROFIT & LOSS PROJECT: (1995 PRICES)	IONS (Continued)	
	Calendar Yr in which licence begins £'000	Etc Calendar Yr in which licence ends £'000
Costs		
Cost of programmes Telecom interconnection costs		
Network operations Sales and marketing Administration Depreciation and leasing Overheads Other operating costs		***************************************
Operating Profit		
Additional payments (percentage of qualifying revenue)		
Investment income and interest receivable		
Interest payable		
Other items		
Profit before cash bid and tax		
Cash Bid		
Dividends		
Tax		

### PRO-FORMA: CASH FLOW PROJECTIONS

### (1995 PRICES)

Net Trading Receipts

Trading Receipts	1995 Q1 Q2 £'000 £'000	<u>Etc</u>	2012 £'000
Programme services Telecom services Other income			
Interest receivable VAT Total			
Trading Payments			
Programme costs Interconnection costs Percentage of qualifying revenue Other operating costs Interest payable VAT	ł.		
Total			

32

## PRO-FORMA: CASH FLOW PROJECTIONS (continued)

### (1995 PRICES)

Other Receipts	1995 01 02 £'000 £'000	<u>Etc</u>	<u>2012</u> €′000
Share capital Loan drawdowns Other Total	_		_
Other Payments			
Net fixed asset additions   (development) Net fixed asset additions   (other) Development expenditure Loan repayments Other			
Tax, cash bid and dividends Total			
Net Cash Inflow/(Outflow)			
Opening Cash Balance			
Closing Cash Balance			
Balance of available finance	<del></del>		

# APPENDIX G



24/95

20 March 1995

### A NEW LOCAL DELIVERY FRANCHISE FOR WYTHALL

The Members of the Independent Television Commission agreed at their meeting of 16 March to invite applications for a local delivery franchise for Wythall in the District of Bromsgrove.

The licence area is defined as those parts of the Civil Parish of Wythall in the District of Bromsgrove (Hereford and Worcester) not included in the existing Birmingham broadband cable franchise. The advertised area comprises about 4,300 homes, but it is for each applicant to decide for which parts of the area to apply. Applications must be submitted to the ITC by 12 June 1995.

The ITC has set percentages of qualifying revenue as the minimum price to be paid by any successful applicant for this franchise. The percentages are 0% for years 1 to 2, 1% for years 3 to 5, 3% for years 6 to 10 and 8% for years 11 to 15.

Qualifying revenue for these purposes is specified by the Broadcasting Act 1990 as being that revenue associated with the delivery of programme services. Revenues from telephony are not included. Applicants must specify the annual cash bid by which they will supplement the percentages of revenue payable to the Exchequer. In normal circumstances, if the applications are judged to be satisfactory, the franchise will be awarded to the highest bidder.

A local delivery franchise is the new equivalent of a cable franchise, enabling a local operator to provide cable television and telecommunications services within the area concerned, utilising not only cable but microwave frequencies in the 40GHz band.

Guidance notes for applicants, containing fuller details of the requirements and the process, are available from the ITC.



22/95

13 March 1995

### APPLICATIONS RECEIVED FOR TWO NOTTINGHAMSHIRE FRANCHISES

By the deadline of noon on 13 March, the ITC had received one application each for the local delivery franchises for Bassetlaw and Ravenshead.

The applicants, and the amount of their cash bids, are:

#### **Bassetlaw**

Diamond Cable (Bassetlaw) Ltd, proposing to serve 32,800 residential premises and 1,050 business premises by the year 2000: a cash bid of £1,666.66.

### Ravenshead

Diamond Cable (Ravenshead) Ltd, proposing to serve 2,500 residential premises and 25 business premises by the end of 1996: a cash bid of £1.66.

Both companies are wholly owned subsidiaries of Diamond Cable (Nottingham) Ltd, which is in turn a wholly-owned subsidiary of Diamond Cable Communications PLC. The company already operates seven franchises in the East Midlands, centred on Nottingham.

The cash bid (representing a lump sum to be paid every year) supplements the percentages of qualifying revenue already set by the ITC which are, for Bassetlaw, 0% for the first five years, 2% for the second period of five years and 4% for the last five years of the fifteen year local delivery licence and, for Ravenshead, 0% for the first five years, 1% for the second period of five years and 3% for the last five years. These monies accrue to the Treasury.

Further details of the applications, and in particular of the technical plan proposed by the applicant, may be inspected from Wednesday 15 March in the ITC library at its Foley Street headquarters and in each of the ITC regional offices.

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The next step is for the ITC to consult with the Telecommunications and Posts Division of the Department of Trade and Industry and the Office of Telecommunications (Oftel) to establish that the technical plans proposed by the applicants are acceptable to them. The ITC must also be satisfied that the proposed telecommunication system is in each case capable of being established in accordance with the timetable proposed and that the applicants will be able to maintain the service throughout the period of the licence. For this purpose, the ITC will be evaluating the confidential business plans submitted by the applicants, and may seek additional information if that course appears necessary.

The Broadcasting Act provides that, if the technical plans are acceptable and it appears to the ITC that each applicant would be able to maintain the service throughout the franchise period, the licence would normally be awarded to the highest bidder. There is no programme or service quality threshold to be satisfied.

The ITC hopes to be in a position to announce its decision in the Summer.

#### Notes to editors

- 1. The invitation to apply for the local delivery franchises for Ravenshead and Bassetlaw was issued on 16 December 1994.
- 2. The areas for which applications were invited consisted effectively of the area between the existing franchises for Doncaster and Rotherham and Mansfield and Newark for the Bassetlaw franchise and between the Mansfield, Newark and Nottingham franchises for Ravenshead.
- 3. Press enquiries regarding the applications themselves should be directed to:-

Gary L Davis
Managing Director
Diamond Cable Communications PLC
Regency House
2A Sherwood Rise
Nottingham NG7 6JN

Tel: 0115 952 2240 Fax: 0115 952 2211



16/95

17 February 1995

## A NEW LOCAL DELIVERY FRANCHISE FOR THE CITY AND DISTRICT OF CARLISLE

The Members of the Independent Television Commission agreed at their meeting on 16 February to invite applications for a local delivery franchise for the City and District of Carlisle.

The advertised area consists the City and District of Carlisle in Cumbria. It is for applicants to decide for which parts of this franchise they wish to apply. Applications must be submitted to the ITC by 15 May 1995.

The ITC has set percentages of qualifying revenue as the minimum price to be paid by any successful applicant for this franchise. The percentages are 0% for years 1 to 5, 1% for years 6-10 and 4% for years 11-15.

Qualifying revenue for these purposes is specified by the Broadcasting Act 1990 as being that revenue associated with the delivery of programme services. Revenues from telephony are not included. Applicants must specify the annual cash bid by which they will supplement the percentages of revenue payable to the Exchequer. In normal circumstances, if the applications are judged to be satisfactory, each franchise will be awarded to the highest bidder.

A local delivery franchise is the new equivalent of a cable franchise, enabling a local operator to provide cable television and telecommunications services within the area concerned, utilising not only cable but microwave frequencies in the 40GHz band.

Guidance notes for applicants, containing fuller details of the requirements and the process, are available from the ITC.



15/95

17 February 1995

## A NEW LOCAL DELIVERY FRANCEISE FOR SHREWSBURY, BRIDGHORTH AND SOUTH STAFFORDSHIRE

The Members of the Independent Television Commission agreed at their meeting on 16 February to invite applications for a local delivery franchise for Shrewsbury, Bridgnorth and South Staffordshire.

The advertised area consists the Borough of Shrewsbury and Atcham, the District of Bridgnorth, and the District of South Staffordshire, but excluding the existing broadband cable franchises of Telford and Stafford. It is for applicants to decide for which parts of this franchise they wish to apply. Applications must be submitted to the ITC by 15 May 1995.

The ITC has set percentages of qualifying revenue as the minimum price to be paid by any successful applicant for this franchise. The percentages are 0% for years 1 to 5, 2% for years 6-10 and 5% for years 11-15.

Qualifying revenue for these purposes is specified by the Broadcasting Act 1990 as being that revenue associated with the delivery of programme services. Revenues from telephony are not included. Applicants must specify the annual cash bid by which they will supplement the percentages of revenue payable to the Exchequer. In normal circumstances, if the applications are judged to be satisfactory, each franchise will be awarded to the highest bidder.

A local delivery franchise is the new equivalent of a cable franchise, enabling a local operator to provide cable television and telecommunications services within the area concerned, utilising not only cable but microwave frequencies in the 40GHz band.

Guidance notes for applicants, containing fuller details of the requirements and the process, are available from the ITC.



12/95

13 February 1995

### APPLICATIONS RECEIVED FOR MIDLANDS FRANCHISES

By the deadline of noon on 13 February, the ITC had received a series of applications for the local delivery franchises for Tamworth, Lichfield, Burton upon Trent and Hinckley.

The applicants, and the amount of their cash bids, are:

For Tamworth. North Warwickshire and Meriden (Percentages of qualifying revenue (PQRs - see Notes to Editors) payable are 0% for Years 1-10, 1% for Years 11-15)

- 1. Tamworth Cable Communications Ltd, a wholly-owned subsidiary of Fundy Cable Communications Ltd (a 23% shareholder in LCL Cable Communications, the existing franchisee for Leicester and Loughborough), to serve 43,315 homes and making a cash bid of £743,400.
- Central Cable Ltd, a wholly-owned subsidiary of Birmingham Cable, to serve 50,527 homes and making a cash bid of £200,000.

# For Lichfield, Burntwood and Rugeley (PQRs payable are nil throughout the fifteen year licence period)

- 1. Lichfield Cable Communications Ltd, a wholly-owned subsidiary of Fundy Cable (see above), to serve 39,290 homes and making a cash bid of £680,400.
- 2. Cable Communications South East Staffordshire, a wholly-owned subsidiary of SBC CableComms (which operates the franchises for the Black Country and Telford), to serve 40,000 homes and making a cash bid of £300,000.

For Burton upon Trent, Swadlincote, Ashby-de-la-Zouch, Coalville and Uttoxeter

(PQRs payable are 0% for Years 1-5, 1% for Years 6-10, 4% for Years 11-15)

- 1. Burton upon Trent Cable Communications Ltd, a wholly-owned subsidiary of East Midlands Cable Holdings Ltd (in which the shareholders are SaskTel and Fundy Cable who together own 79% of LCL Cable Communications), to serve 77,675 homes and making a cash bid of £1,561,700.
- 2. Diamond Cable (Burton-on-Trent) Ltd, a wholly-owned subsidiary of Diamond Cable (Nottingham) Ltd, to serve 85,600 homes and making a cash bid of £1,501,001.
- 3. NYNEX (UK), an associated entity of the existing franchisee for Derby, to serve 80,400 homes and making a cash bid of £263,000.

For Hinckley and Bosworth (PQRs payable are 0% for Years 1-5, 2% for Years 6-10, 8% for Years 11-15)

1. Hinckley Cable Communications Ltd, a wholly-owned subsidiary of LCL Cable Communications (the franchisee for Leicester and Loughborough), to serve 31,204 homes and making a cash bid of £10,000.

The cash bid (representing a lump sum to be paid every year) supplements the percentages of qualifying revenue already set by the ITC. These monies accrue to the Treasury.

Further details of the applications, and in particular of the technical plan proposed by each applicant, may be inspected from later this week in the ITC library at its Foley Street headquarters and in each of the ITC regional offices.

The next step is for the ITC to consult with the Telecommunications and Posts Division of the Department of Trade and Industry and the Office of Telecommunications (Oftel) to establish that the technical plans proposed by the applicants are acceptable to them. The ITC must also be satisfied that the proposed telecommunication system is in each case capable of being established in accordance with the timetable proposed and that the applicants will be able to maintain the service throughout the period of the licence. For this purpose, the ITC will be evaluating the confidential business plans submitted by the applicants, and may seek additional information if that course appears necessary.

The Broadcasting Act provides that, if the technical plans are acceptable and it appears to the ITC that each applicant would be able to maintain the service throughout the franchise period, the licence would normally be awarded to the highest bidder. There is no programme or service quality threshold to be satisfied.

The ITC hopes to be in a position to announce its decision in the Spring.

### Notes to editors

- Qualifying revenue for these purposes is specified by the Broadcasting Act 1990 as being that revenue associated with the delivery of programme services. Revenues from telephony are not included.
- 2. The invitation to apply for the four Midlands local delivery franchises was issued on Friday 18 November 1994.
- 3. Press enquiries regarding the applications themselves should be directed as follows:-

Tamworth Cable
Lichfield Cable
Burton upon Trent Cable
Hinckely Cable

Either Alan Chaney 0116 233 4001 or W N Beckman 0116 233 4124 at LCL Communications

Central Cable

Ron Lawley Birmingham Cable 0121 694 2901

Diamond Cable

Gary Davis
Diamond Cable
0115 952 2240

Cable Communications SE Staffs

Either
Roger Wilson
Midland Cable
0384 838483
or
Jerry Howe

Jerry Howe SBC CableComms UK 0483 751756

NYNEX UK

Eugene Connell NYNEX CableComms 0181 540 8833



10/95

6 February 1995

### APPLICATIONS RECEIVED FOR NORTHERN IRELAND FRANCHISE

By the deadline of noon on 6 February, the ITC had received four applications for the local delivery franchise for Northern Ireland.

The applicants, and the amount of their cash bids, are:

- 1. CableTel Northern Ireland Ltd, a subsidiary of International CableTel Inc, with coverage of at least 428,000 homes by 2003: a bid of £14,418,188.
- 2. CableComms, a joint venture between NYNEX CableComms and Northern Ireland Electricity, with coverage of at least 382,000 homes by 2001: a bid of £8,600,000.
- 3. NITEL Ltd, a joint venture between Matav-Cable Systems Media Ltd of Israel and Cable Management Ireland Ltd (and prospectively KPN Kabel BVio of Holland), with coverage of at least 469,710 homes by 2006: a bid of £6,202,000.
- 4. TeleNorth Ltd, a consortium of United International Holdings Inc and Riordan Communications Ltd (and prospectively Mercury Communications), with coverage of at least 447,963 homes by 2005: a bid of £2,251,000.

The cash bid (representing a lump sum to be paid every year) supplements the percentages of qualifying revenue already set by the ITC which are 0% for the first ten years and 2% for the last five years of the fifteen year local delivery licence. These monies accrue to the Consolidated Fund for Northern Ireland.

Further details of the applications, and in particular of the technical plan proposed by each applicant, may be inspected from Wednesday 8 February in the ITC library at its Foley Street headquarters and in each of the ITC regional offices.

The next step is for the ITC to consult with the Telecommunications and Posts Division of the Department of Trade and Industry and the Office of Telecommunications (Oftel) to establish that the technical plans proposed by the applicants are

acceptable to them. The ITC must also be satisfied that the proposed telecommunication system is in each case capable of being established in accordance with the timetable proposed and that the applicants will be able to maintain the service throughout the period of the licence. For this purpose, the ITC will be evaluating the confidential business plans submitted by the applicants, and may seek additional information if that course appears necessary.

The Broadcasting Act provides that, if the technical plans are acceptable and it appears to the ITC that each applicant would be able to maintain the service throughout the franchise period, the licence would normally be awarded to the highest bidder. There is no programme or service quality threshold to be satisfied.

The ITC hopes to be in a position to announce its decision in the Spring.

### Notes to editors

- The invitation to apply for the local delivery franchise for Northern Ireland was issued on Thursday 20 October 1994.
- 2. The area for which applications were invited consisted of the whole of Northern Ireland, which comprises about 530,000 homes.
- 3. An earlier cable franchise for Belfast, granted in 1983, was revoked by the ITC in 1991 following the failure of the licensee, Ulster Cablevision Ltd, to implement its plans.
- 4. Press enquiries regarding the applications themselves should be directed as follows:-

CableCommseither Mr Eugene Connell NYNEX

0181 540 8833

or Mr Patrick Haren

Northern Ireland Electricity

01232 661100

<u>CableTel</u> Mr Barclay Knapp

CableTel UK Ltd 01483 254000

NITEL Mr Edward Mercer

Allison and Humphreys

0171 570 6000

TeleNorth Mr John Riordan
TeleNorth Ltd

TeleNorth Ltd 010 353 61 410400